Rise in crude production by ONGC

†4273. SHRI RAJ MOHINDER SINGH MAJITHA:

SHRI RAM JETHMALANI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the main function of Oil and Natural Gas Corporation is to produce crude oil in the country;

(b) whether it is also a fact that there has been a considerable rise in the production of crude oil in the country by the said corporation during the last three years; and

(c) if so, the quantum of crude oil produced by the said corporation during the years 2000-01 and 2004-05?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) The main function of Oil and Natural Gas Corporation Limited (ONGC) is to explore from hydrocarbons and produce oil and gas within and outside the country for energy security of the country.

(b) Inspite of the fact that the major fields of ONGC have now matured, and are in a stage of natural decline, estimated at 6-8% per year, ONGC have reversed the trend in declining oil production from a low of 24.6 million metric tonne (MMT) in 1999-2000, over 26 MMT during 2002-03,2003-04 and 2004-05.

(c) The prodcution of crude oil by ONGC during 2000-01 and 2004-05 was 25.057 Million Metric Tonne (MMT) and 26.487 MMT (prov.) respectively.

Sale of crude to oil refineries

4274. SHRI RAM JETHMALANI:

DR. MURLI MANOHAR JOSHI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the crude oil produced in the country during the years 2002-03,2003-04 and 2004-05 has been sold by Oil and Natural Gas Corporation and Indian Oil Corporation to oil refineries;

†Original notice of the question was received in Hindi.

(b) if so, the quantum of crude oil sold to oil refineries during the said years by both the corporations;

(c) the quantum alongwith prices at which the said crude oil was sold during the each of the above years; and

(d) whether it is also a fact that the prices of crude oil produced in the country were hiked in accordance with the rise in the prices of crude oil in international market?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) Oil & Natural Gas Corporation Ltd. (ONGC) and Oil India Ltd. (OIL) are the two national oil companies engaged in the production of crude oil in the country. Indian Oil Corporation do not produce any crude oil in the country.

The quantity of crude oil sold by ONGC and OIL to the oil refineries and the average price charged during 2002-03,2003-04 and 2004-05 are given below:—

Year	Quantity sold (MMT)		Average price* ($/bbl)	
	ONGC	Oil	ONGC	OIL
2002-03	22.364	2.801	28.53	27.27
2003-04	22.265	2.904	29.96	28.98
2004-05	22.426	3.103	43.24	41.36

MMT: Million Metric Ton
$/bbl: US Dollar per barrel
*Although crude oil prices are valued in terms of US $ per barrel, ONGC and OIL receive payments from oil refinery PSUs in equivalent rupees.

(d) Crude oil produced by ONGC and OIL is benchmarked to Nigerian sweet crude namely. Bonny Light and is linked to its international price subject to quality and other adjustments.

Paradeep Oil Refinery Project

4275. MS. PRAMILA BOHIDAR:

SHRI B.J. PANDA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that IOC propose to increase the capacity of Paradeep Oil refinery and build it as a petrochemical-cum-oil refinery;